

PROGRAM OPPORTUNITY NOTICE

Natural Gas Pipeline Safety and Damage Prevention Grant



PON-14-503

<http://www.energy.ca.gov/contracts/index.html>

State of California

California Energy Commission

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1	Application Form (<i>requires signature</i>)
2	Executive Summary Form
3	Fact Sheet Template
4	Project Narrative Form
5	Project Team Form
6	Scope of Work Template
6a	Scope of Work Template: Project Schedule (<i>Excel spreadsheet</i>)
7	Budget Forms (<i>Excel spreadsheet</i>)
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I. Introduction

A. PURPOSE OF SOLICITATION

The purpose of this grant solicitation is to demonstrate natural gas pipeline right-of-way (ROW) monitoring technologies that are past the “proof-of-concept” stage in a utility setting, and to develop programs that promote knowledge regarding pipeline safety for both the public and non-industry workers. The California Energy Commission (Energy Commission) has identified the safe and reliable operation of the network of natural gas pipelines as the primary infrastructure issue related to the natural gas sector.¹ Aging transmission and distribution infrastructures have brought to light substantial challenges for natural gas users and operators within California. As pipeline integrity and safety have caught the attention of legislators and the public, the Energy Commission has shaped and prioritized its long-term research goals to directly address these issues.

The primary cause of pipeline failure is excavation damage. In the 2003-2012 timeframe there were 89 pipeline excavation damage incidents reported in California.² However, many instances go unreported, and damage that is not substantial enough to cause immediate failure can grow over time. Though pipeline operators are required to evaluate the entire pipeline network at least every five years,³ if damage occurs between inspections the probability that it will result in a failure increases. Technologies that provide pipeline operators early indications of equipment encroaching on the pipeline ROW can prevent accidental damage to infrastructure. Tools to increase awareness of public and non-utility employee roles in pipeline safety can further aid in deterring accidental pipeline damage, and improve situational awareness if a rupture occurs. Systems that allow operators to identify, assess, and track risks to prioritize repairs can bolster integrity management practices to maintain safe operation of the pipeline infrastructure in California.

Projects must fall within one or more of the following project groups:

- **Group 1:** Technologies to Monitor and Report Encroachments on the Pipeline Right of Way
- **Group 2:** Technologies that Improve Situational Information; and
- **Group 3:** Technologies that Enhance Integrity Management Practices through Risk Analysis

See Part II of this solicitation for project eligibility requirements. Applications will be evaluated as follows: Stage One proposal screening and Stage Two proposal scoring. Applicants may submit multiple applications, though each application may address only one of the project groups identified above. If an applicant submits multiple applications that address the same project group, each application must be for a distinct project (i.e., no overlap with respect to the tasks described in the Scope of Work, Attachment 6).

¹ California Energy Commission, 2011 Integrated Energy Policy Report. Publication Number: CEC-100-2011-001-CMF.

² Pipeline and Hazardous Materials Safety Administration (<http://primis.phmsa.dot.gov/meetings/FilDown.mtg?fil=471>).

³ 49 CFR section 192.1007 (http://www.ecfr.gov/cgi-bin/text-idx?SID=ed88ed3175e453dc7636cdf6f8b7500e&tpl=/ecfrbrowse/Title49/49tab_02.tpl).

B. KEY WORDS/TERMS

Word/Term	Definition
Applicant	The respondent to this solicitation
Application	An applicant's formal written response to this solicitation
CAM	<i>Commission Agreement Manager</i> , the person designated by the Energy Commission to oversee the performance of an agreement resulting from this solicitation and to serve as the main point of contact for the Recipient
Energy Commission	California Energy Commission
NG IOU	<i>Natural Gas Investor-owned utility</i> , including Pacific Gas and Electric Co., San Diego Gas and Electric Co., and Southern California Gas Co.
NOPA	<i>Notice of Proposed Award</i> , a public notice that identifies award recipients
PIER	Public Interest Energy Research
Principal Investigator	The lead scientist or engineer for the applicant's project, who is responsible for overseeing the project; in some instances, the Principal Investigator and Project Manager may be the same person
Project Manager	The person designated by the applicant to oversee the project and to serve as the main point of contact for the Energy Commission
Project Partner	An entity or individual that contributes financially or otherwise to the project (e.g., match funding, provision of a demonstration site), and does not receive Energy Commission funds
Recipient	The recipient of an award under this solicitation
Solicitation	This entire document, including all attachments and exhibits ("solicitation" may be used interchangeably with "program opportunity notice")
State	State of California

C. APPLICANTS' ADMONISHMENT

This solicitation contains application requirements and instructions. Applicants are responsible for **carefully reading** the solicitation, asking appropriate questions in a timely manner, ensuring that all solicitation requirements are met, submitting all required responses in a complete manner by the required date and time, and **carefully rereading** the solicitation before submitting an application. In particular, please carefully read the **Screening/Scoring Criteria and Grounds for Rejection** in Part IV, and the terms and conditions located at: <http://www.energy.ca.gov/research/contractors.html>.

Applicants are responsible for the cost of developing applications. This cost cannot be charged to the State. All submitted documents will become public records upon the posting of the Notice of Proposed Award.

D. BACKGROUND

1. Public Interest Energy Research (PIER) Natural Gas Research Program

This solicitation will award projects under the PIER Natural Gas program, which is funded by a ratepayer surcharge on all natural gas consumed in California. The California Public Utilities Commission (CPUC) established the surcharge and program in August 2004.⁴ The purpose of the program is to benefit California natural gas ratepayers. The surcharge funds public benefit activities designed to increase natural gas end-use efficiency and advance science or technology.

2. Natural Gas Pipeline Research

Recent technological advancements have significantly increased natural gas supplies and decreased costs, making the fuel very desirable for a wide variety of applications. Pipeline integrity and safety have become an emerging theme in the California energy sector, causing the Energy Commission to shape and prioritize its long-term research goals to directly address issues important to California's energy-smart future.

Events in the natural gas pipeline transmission system have amplified the need to demonstrate technologies that provide operators with increased information on, and control over, the pipeline network. For example, one of California's largest natural gas suppliers, Pacific Gas and Electric Co., experienced over 1,000 incidents where a third party dug into its natural gas pipelines or power lines in 2012.⁵ Pipeline integrity management tools and practices that allow preemptive detection and assessment of activities in the pipeline ROW that may lead to pipeline damage have been further identified as an area in need of improvement. There is a parallel need to increase awareness outside of the utilities on roles in maintaining pipeline safety, particularly in incident response situations. The Energy Commission seeks to provide tools for operators, the public, and non-utility employees to maintain the safety of the California natural gas infrastructure.

E. FUNDING

1. Amount Available and Minimum/ Maximum Funding Amounts

There is up to **\$4.6 million** available under this solicitation for grant awards. Applicants may request from **\$500,000 (minimum) to no more than \$2,000,000 (maximum)** in natural gas research funding per project. All project expenditures (PIER and match funding) must be made within the approved term of the grant agreement. **All work on projects must be completed by March, 31 2018.**

⁴ See CPUC Decision 04-08-010, August 19, 2004,
http://docs.cpuc.ca.gov/PublishedDocs/WORD_PDF/FINAL_DECISION/39314.PDF.

⁵ Press Release, "PG&E Educates Customers About Risk of Digging into Utility Lines During National Safe Digging Month"
(http://www.pge.com/about/newsroom/newsreleases/20130402/pge_educates_customers_about_risk_of_digging_into_utility_lines_during_national_safe_digging_month.shtml).

2. Match Funding Requirement

Though match funding is not required for this solicitation, applications that include match funding will receive additional points during the scoring phase. See scoring criterion 8 in Part IV, Section F.

- **“Match funds”** include: (1) “cash in hand” funds; (2) equipment; (3) materials; (4) information technology services; (5) travel; (6) subcontractor costs; (7) contractor in-kind labor costs; and (8) “advanced practice” costs. Match funding sources include the prime contractor, subcontractors, and demonstration/deployment sites (e.g., test site staff services).

“Match funds” do not include: Energy Commission awards, future/contingent awards from other entities (public or private), the cost or value of the project work site, or the cost or value of structures or other improvements affixed to the project work site permanently or for an indefinite period of time (e.g., photovoltaic systems).

- **“Cash in Hand” Funds** means funds that are in the recipient’s possession and are reserved for the proposed project, meaning that they have not been committed for use or pledged as match for any other project. “Cash in hand” funds include funding awards earned or received from other agencies for the proposed technologies or study (but not for the identical work). As applicable, proof that the funds exist as cash is required at the project kick-off meeting.
- **“Equipment”** means an item with a unit cost of at least \$5,000 and a useful life of at least one year. **Purchasing equipment with match funding is encouraged** because there are no disposition requirements at the end of the agreement for such equipment. Typically, grant recipients may continue to use equipment purchased with Energy Commission funds if the use is consistent with the intent of the original agreement.
- **“Materials”** means tangible project items that cost less than \$5,000 and have a useful life of less than one year.
- **“Information Technology Services”** means the design, development, application, implementation, support, and management of computer-based information systems directly related to the tasks in the Scope of Work. All information technology services in this area must comply with the electronic file format requirements in Subtask 1.1 (Products) of the Scope of Work.
- **“Travel”** means all travel required to complete the tasks identified in the Scope of Work. Travel includes in-state and out-of-state travel, and travel to conferences. Use of match funds for out-of-state travel and travel to conferences is encouraged.
- **“Subcontractor Costs”** means all costs incurred by subcontractors for the project, including labor and non-labor costs.
- **“Contractor/Project Partner In-kind Labor Costs”** means contractor or project partner labor costs that are not charged to the Energy Commission.
- **“Advanced Practice Costs”** means costs not charged to the Energy Commission that represent the incremental cost difference between standard and advanced practices, measures, and products used to implement the proposed project. For example, if the cost of purchasing and/or installing insulation that meets the applicable building energy efficiency standard is

\$1/square foot and the cost of more advanced, energy efficient insulation is \$3/square foot, the Recipient may count up to \$2/square foot as match funds.

- Match funds may be spent only during the agreement term, either before or concurrently with PIER funds. Match funds also must be reported in invoices submitted to the Energy Commission.
- All applicants providing match funds must submit commitment letters that: (1) identify the source(s) of the funds; (2) justify the dollar value claimed; (3) provide an unqualified (i.e., without reservation or limitation) commitment that guarantees the availability of the funds for the project; and (4) provide a strategy for replacing the funds if they are significantly reduced or lost. Please see Attachment 11, Commitment and Support Letter Form.

3. Change in Funding Amount

The Energy Commission reserves the right to:

- Increase or decrease the amount of funding allocated for this solicitation and the minimum/maximum award amounts described in this section.
- Allocate any additional or unawarded funds to passing applications, in rank order.
- Reduce funding to an amount deemed appropriate if the budgeted funds do not provide full funding for agreements. In this event, the Recipient and Commission Agreement Manager will reach agreement on a reduced Scope of Work commensurate with available funding.

F. KEY ACTIVITIES SCHEDULE

Key activities, dates, and times for this solicitation and for agreements resulting from this solicitation are presented below. An addendum will be released if the dates change for activities that appear in **bold**.

ACTIVITY	DATE	TIME (PST or PDT)
Solicitation Release	12/12/2014	
Pre-Application Workshop	1/8/2015	10:00 a.m.
Deadline for Written Questions⁶	1/9/2015	5:00 p.m.
Anticipated Distribution of Questions and Answers	week of January 19, 2015	
Deadline to Submit Applications	2/2/2015	3:00 p.m.
Anticipated Notice of Proposed Award Posting Date	3/10/2015	
Anticipated Energy Commission Business Meeting Date	6/2015	
Anticipated Agreement Start Date	8/2015	
Anticipated Agreement End Date	3/31/2018	

⁶ This deadline does not apply to non-technical questions (e.g., questions concerning application format requirements or attachment instructions) or to questions that address an ambiguity, conflict, discrepancy, omission, or other error in the solicitation. Such questions may be submitted to the Commission Agreement Officer listed in Section H at any time prior to the application deadline. Please see Section H for additional information.

G. PRE-APPLICATION WORKSHOP

Energy Commission staff will hold one Pre-Application Workshop to discuss the solicitation with applicants. Participation is optional but encouraged. Applicants may attend the workshop in-person, via the internet (WebEx, see instructions below), or via conference call on the date and at the time and location listed below. Please call (916) 654-4381 or refer to the Energy Commission's website at www.energy.ca.gov/contracts/index.html to confirm the date and time.

Date and time: 1/8/2015

Location: California Energy Commission
1516 9th Street
Sacramento, CA 95814
[Hearing Room B](#)

WebEx Instructions:

- To join the WebEx meeting, go to <https://energy.webex.com> and enter the meeting number and password below:
Meeting Number: 491 861 640
Meeting Password: meeting@10
Topic: NG Pipeline Safety PON
- To Logon with a Direct Phone Number: After logging into WebEx, a prompt will appear on-screen for a phone number. In the "Number" box, enter your area code and phone number and click "OK" to receive a call for the audio of the meeting. International callers may use the "Country/Region" button to help make their connection.
- To Logon with an Extension Phone Number: After you login, a prompt will ask for your phone number. Select "CANCEL." Call **1-866-469-3239** (toll-free in the U.S. and Canada). When prompted, enter the meeting number above and the unique Attendee ID number listed in the top left area of the screen after login. International callers may dial in using the "Show all global call-in numbers" link (also in the top left area).

Telephone Access Only:

Call **1-866-469-3239** (toll-free in the U.S. and Canada). When prompted, enter the meeting number above. International callers may select their number from <https://energy.webex.com/energy/globalcallin.php>.

Technical Support:

- For assistance with problems or questions about joining or attending the meeting, please call WebEx Technical Support at **1-866-229-3239**. You may also contact Jamie Patterson at (916) 327-2342.
- System Requirements: To determine whether your computer is compatible, visit: <http://support.webex.com/support/system-requirements.html>.
- Meeting Preparation: The playback of UCF (Universal Communications Format) rich media files requires appropriate players. Please determine whether the players are installed on your computer by visiting: <https://energy.webex.com/energy/systemdiagnosis.php>.

H. QUESTIONS

During the solicitation process, direct questions to the Commission Agreement Officer listed below:

Phil Dyer, Commission Agreement Officer
California Energy Commission
1516 Ninth Street, MS-18
Sacramento, California 95814
Telephone: (916) 654-4651
FAX: (916) 654-4423
E-mail: Phil.Dyer@energy.ca.gov

Applicants may ask questions at the Pre-Application Workshop, and may submit written questions via mail, email, and FAX. However, all **technical** questions must be received by the deadline listed in the "Key Activities Schedule." **Non-technical** questions (e.g., questions concerning application format requirements or attachment instructions) may be submitted to the Commission Agreement Officer at any time prior the application deadline.

A question and answer document will be e-mailed to all parties who attended the Pre-Application Workshop and provided their contact information on the sign-in sheet. The questions and answers will also be posted on the Commission's website at: <http://www.energy.ca.gov/contracts/index.html>.

If an applicant discovers an **ambiguity, conflict, discrepancy, omission, or other error** in the solicitation after the deadline for written questions but prior to the application deadline, the applicant may notify the Energy Commission in writing and request modification or clarification of the solicitation. The Energy Commission will provide modifications or clarifications by written notice to all parties who requested the solicitation. At its discretion, the Energy Commission may re-open the question/answer period to provide all applicants the opportunity to seek any further clarification required. *If an applicant submits a question after the deadline for written questions that does not concern a non-technical issue or a solicitation ambiguity, conflict, discrepancy, omission, or other error, the Commission Agreement Officer will refer the applicant to the solicitation documents for guidance.*

Any verbal communication with a Commission employee concerning this solicitation is not binding on the State and will in no way alter a specification, term, or condition of the solicitation. Therefore, all communication should be directed in writing to the assigned Commission Agreement Officer.

II. Eligibility Requirements

A. APPLICANT REQUIREMENTS

1. Eligibility

This is a competitive solicitation open to public and private entities. Proposed projects must be located within a California natural gas investor-owned utility area (PG&E, SDG&E, SoCalGas Co.).

2. Terms and Conditions

Each grant agreement resulting from this solicitation will include terms and conditions that set forth the recipient's rights and responsibilities. By signing the Application Form (Attachment 1), each applicant agrees to enter into an agreement with the Energy Commission to conduct the proposed project according to the terms and conditions that correspond to its organization, without negotiation: (1) University of California terms and conditions; (2) U.S. Department of Energy terms and conditions; or (3) standard terms and conditions. The terms and conditions are located at: <http://www.energy.ca.gov/research/contractors.html>.

Failure to agree to the terms and conditions by taking actions such as failing to sign the Application Form or indicating that acceptance is based on modification of the terms will result in **rejection** of the application. Applicants **must read** the terms and conditions carefully. The Energy Commission reserves the right to modify the terms and conditions prior to executing grant agreements.

3. California Secretary of State Registration

California business entities and non-California business entities that conduct intrastate business in California and are required to register with the California Secretary of State must do so and be in good standing in order to enter into an agreement with the Energy Commission. If not currently registered with the California Secretary of State, applicants should contact the Secretary of State's Office as soon as possible. For more information, visit the Secretary of State's website at: www.sos.ca.gov.

4. California-Based Entities

Pursuant to California Public Resources Code Section 25620.5(h), the California Energy Commission's PIER Program must give priority to "California-Based Entities" (CBEs) when making awards. California Public Resources Code Section 25620.5(i) defines "CBE" as a corporation or other business entity organized for the transaction of business that either:

- Has its headquarters or an office in California AND manufactures in California the product that is the subject of the award; or
- Has an office for the transaction of business in California and substantially manufactures the product or substantially performs the research within California that is the subject of the award.

Proposals must meet the following requirements in order to receive CBE preference points:

- The proposal must include a CBE as either the recipient or a subcontractor.
- The budget must show that the CBE(s) will receive 60.00% or more of the PIER funds awarded.
 - If the CBE is the recipient, no more than 40.00% of the awarded PIER funds can be subcontracted to non-CBEs.

- The 60.00% applies to PIER funds and does not include match funding. For example, if a proposal has a PIER budget of \$100,000, the budget must show \$60,000 or more in PIER funds allocated to CBEs regardless of how much match funding is pledged.
- The 60.00% requirement can be made up of multiple CBEs. For example, a proposal in which a recipient CBE will receive 30.00% of PIER funds and a subcontractor CBE will receive 30.00% of PIER funds meets the 60.00% requirement.

B. PROJECT REQUIREMENTS

1. Project Focus

This solicitation focuses on the demonstration and deployment of emerging natural gas pipeline technologies (i.e., technologies that have limited deployment but are beyond the proof-of-concept stage and have high potential to improve the safety of natural gas pipelines in California). The focus is on **demonstration and deployment in natural gas investor-owned utility service territories**, and not on technology research and development.

Projects must involve the development of emerging natural gas pipeline technologies fall within one or more of the **Project Groups** listed below. In addition, projects must have already been demonstrated in a laboratory or pilot setting. Applicants must explain how the project has advanced beyond the proof-of-concept stage and is capable of utility-scale deployment and demonstration, and must submit the results of laboratory or pilot-scale tests (see Attachment 4 item #1).

2. Project Groups

Technologies and tools demonstrated or deployed must fall within at least one of the following groups. Each project must meet all criteria specified in the relevant group(s).

a. **Project Group 1: Technologies to Monitor and Report Encroachments on the Pipeline Right of Way (ROW)**

Monitoring/reporting technologies (visual, vibration, acoustic, or other) must be capable of:

- 1) Being cost effectively deployed for retrofitting on existing pipeline installations (approximately less than or equal to \$100,000/mile);
- 2) Differentiating between persons on the ROW and potential threats that may require preventative action; and
- 3) Wirelessly transmitting an alarm indicating the presence of a potential threat to the pipeline operator.

b. **Project Group 2: Technologies that Improve Situational Information**

- 1) Technologies must be capable of providing mapping and pipeline infrastructure information (e.g., system maps, aerial photography, and summary descriptions written in plain language) to a variety of audiences including first responders, local law enforcement, and the general public in an interactive manner that is easily understood; and

- 2) Information must be transmitted to relevant parties through common channels of distribution such as websites, texts, radio, and telephone.

c. Project Group 3: Technologies that Enhance Integrity Management Practices through Risk Analysis, Prediction, and Decision-Based Methodology

- 1) Technologies must be performance-based rather than prescriptive, involve risk modeling, and have the ability to predict natural gas pipeline incidents;
- 2) Methodologies must assess risk using a set of known and unknown threats;
- 3) Techniques must incorporate leading rather than lagging indicators; and
- 4) Technologies must give operators the ability to identify, rank, mitigate, and continually track threat interactions.

3. Measurement and Verification Plan

Include a Measurement and Verification Plan in the Project Narrative (Attachment 4, item #1) that describes how actual project benefits will be measured and quantified, such as by pre and post-project natural gas use and cost.

III. Application Organization and Submission Instructions

A. APPLICATION FORMAT, PAGE LIMITS, AND NUMBER OF COPIES

The following table summarizes the application formatting and page limit requirements:

Format	<ul style="list-style-type: none"> • Font: 11-point, Arial (excluding excel spreadsheets, original template headers and footers, and commitment or support letters) • Margins: No less than one inch on all sides (excluding headers and footers) • Spacing: Single spaced, with a blank line between each paragraph • Pages: Numbered and printed double-sided (when determining page limits, each printed side of a page counts as one page) • Signatures: Manual (i.e., not electronic) • Labeling: Tabbed and labeled as required in Sections B and C below • Binding: Original binder clipped; all other copies spiral or comb bound (binders discouraged) • File Format: MS Word version 1997-2003, or version 2007 or later (.doc or .docx format), excluding Excel spreadsheets and commitment or support letters (PDF files are acceptable for the letters) • File Storage: Electronic files of the application must be submitted on a CD-ROM or USB memory stick
Page Limits	<ul style="list-style-type: none"> • Page limits are as follows: <ul style="list-style-type: none"> ○ Executive Summary (Attachment 2): two pages ○ Fact Sheet (Attachment 3): two pages ○ Project Narrative Form (Attachment 4): thirty pages ○ Project Team Form (Attachment 5): two pages for each resume ○ Reference and Work Product Form (Attachment 9): one page for each reference, two pages for each project description ○ Commitment and Support Letter Form (Attachment 11): two pages, excluding the cover page ○ Marketing Plan Form (Attachment 12): fifteen pages <p>The following attachments may not cumulatively exceed seventy pages:</p> <ul style="list-style-type: none"> ○ Project Narrative Form ○ Scope of Work Template (Attachments 6 and 6a) • There are no page limits for the following: <ul style="list-style-type: none"> ○ Application Form (Attachment 1) ○ Budget Forms (Attachment 7) ○ CEQA Compliance Form (Attachment 8) ○ Contact List Template (Attachment 10) ○ California-Based Entity Form (Attachment 13)
Number of Copies of the Application	<ul style="list-style-type: none"> • Nine hard copies (including one copy with original signatures) • One electronic copy (on a CD-ROM or USB memory stick)

B. APPLICATION DELIVERY

Include the following label information on the mailing envelope:

Applicant's Project Manager Applicant's Name Street Address City, State, and Zip Code	PON-14-503 Contracts, Grants, and Loans Office, MS-18 California Energy Commission 1516 Ninth Street, 1st Floor Sacramento, California 95814
------------------------------------------------------------------------------------------------	----------------------------------------------------------------------------------------------------------------------------------------------------------

Applications must be delivered to the Energy Commission's Contracts, Grants, and Loans Office in a sealed package (in person or via U.S. mail or courier service) during normal business hours, prior to the date and time specified in the "Key Activities Schedule" in Part I of this solicitation. Applications received after the specified date and time are considered late and will not be accepted. Postmark dates of mailing, e-mail, and facsimile (FAX) transmissions are not acceptable in whole or in part, under any circumstances.

C. APPLICATION ORGANIZATION AND CONTENT

1. Submit applications in the order specified below.
2. Label the proposal application cover "Program Opportunity Notice PON-14-503" and include: (a) the title of the application; and (b) the applicant's name.
3. Separate each section of the application by a tab that is labeled only with the tab number and section title indicated below.

Tab/Attachment Number	Title of Section
1	Application Form <i>(requires signature)</i>
2	Executive Summary Form
3	Fact Sheet Template
4	Project Narrative Form
5	Project Team Form
6	Scope of Work Template
6a	Scope of Work Template: Project Schedule <i>(Excel spreadsheet)</i>
7	Budget Forms <i>(Excel spreadsheet)</i>
8	CEQA Compliance Form
9	References and Work Product Form
10	Contact List Template
11	Commitment and Support Letter Form <i>(letters require signature)</i>
12	Marketing Plan Form
13	California-Based Entity (CBE) Form

Below is a description of each required section of the application:

1. Application Form (Attachment 1)

This form requests basic information about the applicant and the project. The application must include an original form that includes all requested information and is signed by an authorized representative of the applicant's organization.

2. Executive Summary Form (Attachment 2)

The Executive Summary must include: a project description; the project goals and objectives to be achieved; an explanation of how the goals and objectives will be achieved, quantified, and measured; and a description of the project tasks and overall management of the agreement.

3. Fact Sheet Template (Attachment 3)

The project fact sheet must present project information in a manner suitable for publication (if the project receives funding, the Energy Commission may use the fact sheet to publicize the project). The fact sheet must follow the template, which includes a summary of project specifics and a description of the issue addressed by the project, a project description, and anticipated benefits for the state of California.

4. Project Narrative Form (Attachment 4)

Attachment 4 will include the majority of the applicant's responses to the Scoring Criteria in Part IV.

5. Project Team Form (Attachment 5)

Identify by name all key personnel⁷ assigned to the project, including the project manager and principal investigator (if applicable), and individuals employed by any major subcontractor (i.e., a subcontractor receiving at least 25% of Commission funds or \$100,000, whichever is less). Clearly describe their individual areas of responsibility. Include the information required for each individual, including a resume (maximum two pages, printed double-sided).

6. Scope of Work Template (Attachments 6 and 6a)

Applicants must include a completed Scope of Work for each project, as instructed in the template. The Scope of Work identifies the tasks required to complete the project. It includes a project schedule that lists all products, meetings, and due dates. All work must be scheduled for completion by the anticipated agreement end date specified in the "Key Activities Schedule" in Part I.

Electronic files for **Parts I-IV** of the Scope of Work are in **MS Word**. **Part V** (Project Schedule, Attachment 6a) is in **MS Excel**.

7. Budget Forms (Attachment 7)

The budget forms are in MS Excel format and consist of seven worksheets. Detailed instructions for completing them are included at the beginning of Attachment 7. **Read the instructions before completing the worksheets.** Complete and submit information on **all**

⁷ "Key personnel" are individuals that are critical to the project due to their experience, knowledge, and/or capabilities.

budget worksheets. The salaries, rates, and other costs entered on the worksheets will become a part of the final agreement.

- 1) All project expenditures (match share and reimbursable) must be made within the approved agreement term. Match share requirements are discussed in Part I of this solicitation. The entire term of the agreement and projected rate increases must be considered when preparing the budget.
- 2) The budget must reflect estimates for **actual** costs to be incurred during the agreement term. The Energy Commission may only approve and reimburse for actual costs that are properly documented in accordance with the grant terms and conditions. Rates and personnel shown must reflect the rates and personnel the applicant would include if selected as a Recipient.
- 3) The proposed rates are considered capped and may not change during the agreement term. The Recipient will only be reimbursed for **actual** rates up to the rate caps.
- 4) The budget must **NOT** include any Recipient profit from the proposed project, either as a reimbursed item, match share, or as part of overhead or general and administrative expenses (subcontractor profit is allowable). Please review the terms and conditions and budget forms for additional restrictions and requirements.
- 5) The budget must allow for the expenses of all meetings and products described in the Scope of Work. Meetings may be conducted at the Energy Commission or by conference call, as determined by the Commission Agreement Manager.
- 6) Applicants must budget for permits and insurance. Permitting costs may be accounted for in match share (please see the discussion of permits in the Scope of Work, Attachment 6).
- 7) **Prevailing wage requirement:** Applicants must pay prevailing wages (i.e., rates pre-determined by the California Department of Industrial Relations) to all workers employed on public works projects that exceed \$1,000. Public works projects involve demolition, installation, repair, or maintenance work. If the proposed project involves such work, the Applicant must assume that the project is a public work and budget accordingly unless it obtains a determination from the California Department of Industrial Relations or a court of competent jurisdiction that the project is not a public work. Please see the terms and conditions for additional information about the prevailing wage requirement.

8. California Environmental Quality Act (CEQA) Compliance Form (Attachment 8)

The Energy Commission requires the information on this form to facilitate its evaluation of the funded activities under CEQA (Public Resources Code Section 21000 et. seq.), a law that requires state and local agencies in California to identify and mitigate the significant environmental impacts of their actions. The form will also help applicants to determine CEQA compliance obligations by identifying which funded activities may trigger CEQA. If activities do not trigger CEQA (such as paper studies) the worksheet will help to identify and document this. *This form must be completed regardless of whether the proposed activities are considered a "project" under CEQA.*

Failure to complete the CEQA process in a timely manner after the Energy Commission's issuance of an award may result in cancellation of the award and allocation of funding to the next highest-scoring project.

9. Reference and Work Product Form (Attachment 9)

- 1) Section 1: Provide applicant and subcontractor references as instructed.
- 2) Section 2: Provide a list of past projects detailing technical and business experience of the applicant (or any member of the project team) that is related to the proposed work. Identify past projects that resulted in market-ready technology, advancement of codes and standards, and/or advancement of state energy policy. Include copies of up to three of the applicant or team member's recent publications in scientific or technical journals related to the proposed project, as applicable.

10. Contact List Template (Attachment 10)

The list identifies the names and contact information of the project manager, administrator, accounting officer, and recipient of legal notices.

11. Commitment and Support Letter Form (Attachment 11)

A commitment letter commits an entity or individual to providing the service or funding described in the letter. A support letter details an entity or individual's support for the project.

1) Commitment Letters

- In order to receive match funding points, applicants must submit a **match funding** commitment letter signed by each representative of the entity or individual that is committing to providing match funding. The letter must: (1) identify the source(s) of the funds; and (2) guarantee the availability of the funds for the project.
- The applicant must include a letter signed by an authorized representative of the proposed demonstration/deployment site(s) that commits to providing the site(s) for the proposed activities.
- **Project partners** that are making contributions other than match funding or a demonstration/deployment site must submit a commitment letter signed by an authorized representative that: (1) describes how the partner will contribute to the project; and (2) commits to making the contribution.

2) Support Letters

All applicants must include at least one support letter from a project stakeholder (i.e., an entity or individual that will benefit from or be involved in the project) that: (1) describes the stakeholder's interest or involvement in the project; (2) indicates the extent to which the project has the support of the relevant industry and/or organizations; and (3) describes any support it intends (but does not necessarily commit) to provide for the project, such as funding or the provision of a demonstration or deployment site.

12. Marketing Plan Form (Attachment 12)

This form requests information about the Recipient's strategy for marketing the proposed technology.

13. California-Based Entities Form (Attachment 13)

Identify any California-based entities as instructed in the form. California-based entities are entitled to a scoring preference as described in Part II of this solicitation.

IV. Evaluation and Award Process

A. APPLICATION EVALUATION

Applications will be evaluated and scored based on responses to the information requested in this solicitation. To evaluate applications, the Energy Commission will organize an Evaluation Committee that consists primarily of Energy Commission staff. The Evaluation Committee may use technical expert reviewers to provide an analysis of applications. Applications will be evaluated in two stages:

1. Stage One: Application Screening

The Contracts, Grants, and Loans Office and/or the Evaluation Committee will screen applications for compliance with the Screening Criteria in **Section E** of this Part. **Applications that fail any of the screening criteria will be rejected.**

2. Stage Two: Application Scoring

Applications that pass Stage One will be submitted to the Evaluation Committee for review and scoring based on the Scoring Criteria in **Section F** of this Part.

- The scores for each application will be the average of the combined scores of all Evaluation Committee members.
- **A minimum score of 70.00 points** is required for the application to be eligible for funding. In addition, the application must receive a minimum score of **56.00 points** for criteria **1–5** to be eligible for funding.
- **Clarification Interviews:** The Evaluation Committee may conduct optional in-person or telephone interviews with applicants during the evaluation process to clarify and/or verify information submitted in the application. However, these interviews may not be used to change or add to the content of the original application. Applicants will not be reimbursed for time spent answering clarifying questions.

B. RANKING, NOTICE OF PROPOSED AWARD, AND AGREEMENT DEVELOPMENT

1. Ranking and Notice of Proposed Award

Applications that receive a minimum score of 70.00 points for all criteria will be ranked according to their score.

- The Energy Commission will post a **Notice of Proposed Award (NOPA)** that includes: (1) the total proposed funding amount; (2) the rank order of applicants; and (3) the amount of each proposed award. The Commission will post the NOPA at its headquarters in Sacramento and on its website, and will mail it to all parties that submitted an application. Proposed awards must be approved by the Commission at a business meeting.
- **Debriefings:** Unsuccessful applicants may request a debriefing after the release of the NOPA by contacting the Agreement Officer listed in Part I. A request for debriefing must be received **no later than 30 calendar days** after the NOPA is released.
- The Energy Commission reserves the right to:
 - Allocate any additional funds to passing applications, in rank order; and
 - Negotiate with successful applicants to modify the project scope, schedule, and/or level of funding.

2. Agreements

Applications recommended for funding will be developed into a grant agreement to be considered at an Energy Commission Business Meeting. Recipients may begin the project only after full execution of the grant agreement (i.e., approval at a business meeting and signature by the Recipient and the Energy Commission).

- **Resolution Requirement (for government agency recipients only):** Prior to approval of the agreement at a business meeting, government agency recipients (e.g., federal, state, and local governments; air/water/school districts; joint power authorities; and state universities) must provide a resolution that authorizes the agency to enter into the agreement and is signed by a representative authorized to execute the agreement and all documents related to the award.
Resolutions must include: (1) a brief description of the project; (2) the award amount; and (3) an acceptance of the award.
- **Agreement Development:** The Contracts, Grants, and Loans Office will send the Recipient a grant agreement for approval and signature. The agreement will include the applicable terms and conditions and will incorporate this solicitation by reference. The Energy Commission reserves the right to modify the award documents (including the terms and conditions) prior to executing any agreement.
- **Failure to Execute an Agreement:** If the Energy Commission is unable to successfully execute an agreement with an applicant, it reserves the right to cancel the pending award and to fund the next highest-ranked, eligible application.
- **Agreement Amendment:** The executed agreement may be amended by mutual consent of the Energy Commission and the Recipient. The agreement may require amendment as a result of project review, changes in project scope, and/or availability of funding.

C. GROUNDS TO REJECT AN APPLICATION OR CANCEL AN AWARD

Applications that do not pass the screening stage will be rejected. In addition, the Energy Commission reserves the right to reject an application and/or to cancel an award if the following circumstances are discovered at any time during the application or agreement process:

- The application contains false or intentionally misleading statements or references that do not support an attribute or condition contended by the applicant.
- The application is intended to erroneously and fallaciously mislead the State in its evaluation and the attribute, condition, or capability is a requirement of this solicitation.
- The application does not literally comply or contains caveats that conflict with the solicitation, and the variation or deviation is material.
- The application does not contain sufficient information to enable a useful evaluation to be conducted.
- The applicant has previously received funding through a Public Interest Energy Research (PIER) agreement, has received the PIER royalty review letter (which the Energy Commission annually sends out to remind past recipients of their obligations to pay royalties), and has not responded to the letter or is otherwise not in compliance with repaying royalties.
- The applicant has received unsatisfactory evaluations from the Energy Commission or another California state agency.
- The applicant is a business entity that is not in good standing with the California Secretary of State.

- The applicant has not demonstrated that it has the financial capability to complete the project.
- The application is not submitted in the format specified in Part III, Sections A, B, and C of the solicitation.
- The project end date extends past the anticipated agreement end date specified in the “Key Activities Schedule” in Part I.

D. MISCELLANEOUS

1. Solicitation Cancellation and Amendment

It is the policy of the Energy Commission not to solicit applications unless there is a bona fide intention to award an agreement. However, if it is in the State’s best interest, the Energy Commission reserves the right to do any of the following:

- Cancel this solicitation;
- Revise the amount of funds available under this solicitation;
- Amend this solicitation as needed; and/or
- Reject any or all applications received in response to this solicitation.

If the solicitation is amended, the Energy Commission will send an addendum to all parties who requested the solicitation, and will also post it on the Energy Commission’s website at: www.energy.ca.gov/contracts. The Energy Commission will not reimburse applicants for application development expenses under any circumstances, including cancellation of the solicitation.

2. Modification or Withdrawal of Application

Applicants may withdraw or modify a submitted application before the deadline to submit applications by sending a letter to the Agreement Officer listed in Part I. Applications cannot be changed after that date and time. An Application cannot be “timed” to expire on a specific date. For example, a statement such as the following is non-responsive to the solicitation: “This application and the cost estimate are valid for 60 days.”

3. Confidentiality

Though the entire evaluation process from receipt of applications up to the posting of the NOPA is confidential, **all submitted documents will become public records** after the Energy Commission posts the NOPA or the solicitation is cancelled. **The Energy Commission will not accept or retain applications that identify any portion as confidential.**

4. Solicitation Errors

If an applicant discovers any ambiguity, conflict, discrepancy, omission, or other error in the solicitation, the applicant should immediately notify the Energy Commission of the error in writing and request modification or clarification of the solicitation. The Energy Commission will provide modifications or clarifications by written notice to all parties who requested the solicitation, without divulging the source of the request for clarification. The Energy Commission will not be responsible for failure to correct errors.

5. Immaterial Defect

The Energy Commission may waive any immaterial defect or deviation contained in an application. The Energy Commission’s waiver will not modify the application or excuse the successful applicant from full compliance with solicitation requirements.

6. Disposition of Applicant's Documents

Upon the posting of the NOPA, all applications and related materials submitted in response to this solicitation will become property of the State and public records. Unsuccessful applicants who seek the return of any materials must make this request to the Agreement Officer listed in Part I, and provide sufficient postage to fund the cost of returning the materials.

E. STAGE ONE: APPLICATION SCREENING

SCREENING CRITERIA <i>The Application must pass ALL criteria to progress to Stage Two.</i>	Pass/Fail
1. The application is received by the Energy Commission's Contracts, Grants, and Loans Office by the due date and time specified in the "Key Activities Schedule" in Part I of this solicitation.	<input type="checkbox"/> Pass <input type="checkbox"/> Fail
2. The Application Form (Attachment 1) is signed where indicated.	<input type="checkbox"/> Pass <input type="checkbox"/> Fail
3. If the applicant has submitted more than one application for the same project group, each application is for a distinct project (i.e., no overlap with respect to the tasks described in the Scope of Work, Attachment 6). <i>If the projects are not distinct and the applications were submitted at the same time, only the first application screened by the Energy Commission will be eligible for funding. If the applications were submitted separately, only the first application received by the Energy Commission will be eligible for funding.</i>	<input type="checkbox"/> Pass <input type="checkbox"/> Fail
4. The requested funding falls within the minimum and maximum range specified in Part I of this solicitation.	<input type="checkbox"/> Pass <input type="checkbox"/> Fail
5. The Application Form identifies one or more demonstration or deployment site locations, and the project host site is located in a NG IOU service area (PG&E, SDG&E, or SoCalGas Co.).	<input type="checkbox"/> Pass <input type="checkbox"/> Fail
6. The application does not contain any confidential information or identify any portion of the application as confidential.	<input type="checkbox"/> Pass <input type="checkbox"/> Fail
7. The applicant has not included a statement or otherwise indicated that it will not accept the terms and conditions, or that acceptance is based on modifications to the terms and conditions.	<input type="checkbox"/> Pass <input type="checkbox"/> Fail
8. The proposal includes one or more support letters and a demonstration or deployment commitment letter, as described in Attachment 11. <i>If the proposal includes commitment letters that are not required and do not meet the requirements of Attachment 11, the letters will not be considered in the scoring phase.</i>	<input type="checkbox"/> Pass <input type="checkbox"/> Fail

F. STAGE TWO: APPLICATION SCORING

Proposals that pass ALL Stage One Screening Criteria will be evaluated based on the Scoring Criteria on the next page and the Scoring Scale below (with the exception of criteria 6–9, which will be evaluated as described in each criterion). Each criterion has an assigned number of possible points, and is divided into multiple sub-criteria. The sub-criteria are not equally weighted. The Project Narrative (Attachment 4) must respond to each sub-criterion, unless otherwise indicated.

- The total minimum passing score is **70.00 out of 100 points**.
- The minimum passing score for **criteria 1–5 is 56.00 points**. The points for criteria 6–9 will only be applied to proposals that achieve the minimum score for criteria 1–5.

SCORING SCALE

% of Possible Points	Interpretation	Explanation for Percentage Points
0%	Not Responsive	<ul style="list-style-type: none">• The response fails to address the criteria.• The omissions, flaws, or defects are significant and unacceptable.
10-30%	Minimally Responsive	<ul style="list-style-type: none">• The response minimally addresses the criteria.• The omissions, flaws, or defects are significant and unacceptable.
40-60%	Inadequate	<ul style="list-style-type: none">• The response addresses the criteria.• There are one or more omissions, flaws, or defects or the criteria are addressed in a limited way that results in a low degree of confidence in the proposed solution.
70%	Adequate	<ul style="list-style-type: none">• The response adequately addresses the criteria.• Any omissions, flaws, or defects are inconsequential and acceptable.
80%	Good	<ul style="list-style-type: none">• The response fully addresses the criteria with a good degree of confidence in the applicant's response or proposed solution.• There are no identified omissions, flaws, or defects. Any identified weaknesses are minimal, inconsequential, and acceptable.
90%	Excellent	<ul style="list-style-type: none">• The response fully addresses the criteria with a high degree of confidence in the applicant's response or proposed solution.• The applicant offers one or more enhancing features, methods, or approaches that exceed basic expectations.
100%	Exceptional	<ul style="list-style-type: none">• All criteria are addressed with the highest degree of confidence in the applicant's response or proposed solution.• The response exceeds the requirements in providing multiple enhancing features, a creative approach, or an exceptional solution.

SCORING CRITERIA

The Project Narrative (Attachment 4) must respond to each criterion below, unless otherwise indicated.

Scoring Criteria	Maximum Points
1. Technical Merit and Need <ul style="list-style-type: none">a. Provides a clear and concise description of the goals, objectives, technological or scientific knowledge advancement, and innovation in the proposed project.b. Summarizes the current status of the relevant technology and/or scientific knowledge, and explains how the proposed project will advance, supplement, and/or replace current technology and/or scientific knowledge.c. Justifies the need for PIER funding, including an explanation of why the proposed work is not adequately supported by competitive or regulated markets.d. Discusses the degree to which the proposed work is technically feasible and achievable.e. Explains how the project has advanced beyond the proof-of-concept stage and is capable of utility-scale deployment and demonstration. Includes the results of laboratory or pilot-scale tests.f. Provides a clear and plausible measurement and verification plan that describes how energy savings and other benefits specified in the application will be determined and measured.	20
2. Technical Approach <ul style="list-style-type: none">a. Describes the technique, approach, and methods to be used in performing the work described in the Scope of Work. Highlights any outstanding features.b. Describes how tasks will be executed and coordinated with various participants and team members.c. Identifies and discusses factors critical for success, in addition to risks, barriers, and limitations. Provides a plan to address them.d. Describes how the knowledge gained, experimental results, and lessons learned will be made available to the public and key decision-makers.e. Includes a complete Scope of Work and Project Schedule as instructed in Attachments 6 and 6a.	20

Scoring Criteria	Maximum Points
<p>3. Impacts and Benefits for California IOU Ratepayers</p> <ul style="list-style-type: none"> a. Explains how the proposed project will benefit California Natural Gas Investor-Owned Utility (NG IOU) ratepayers (e.g., increased safety, lower costs). b. Provides clear, plausible, and justifiable quantitative estimates of potential benefits for California NG IOU ratepayers, including annual thermal savings (therms), greenhouse gas emission reductions, air emission reductions (e.g., NOx), and water use and/or cost reductions. c. States the timeframe, assumptions, and calculations for the estimated benefits, and explains their reasonableness. d. Identifies impacted market segments in California, including size and penetration or deployment rates, with underlying assumptions. e. Discusses any qualitative or intangible benefits to California NG IOU ratepayers, including timeframe and assumptions. f. Provides a cost-benefit analysis that compares project costs to anticipated benefits. Explains how costs and benefits will be calculated and quantified, and identifies any underlying assumptions. 	<p>20</p>
<p>4. Team Qualifications, Capabilities, and Resources</p> <ul style="list-style-type: none"> a. Describes the organizational structure of the applicant and the project team. Includes an <u>organizational chart</u> that illustrates the structure. b. Identifies key team members, including the project manager and principal investigator (<i>include this information in Attachment 5, Project Team Form</i>). c. Summarizes the qualifications, experience, capabilities, and credentials of the key team members (<i>include this information in Attachment 5, Project Team Form</i>). d. Explains how the various tasks will be managed and coordinated, and how the project manager's technical expertise will support the effective management and coordination of all projects in the application. e. Describes the facilities, infrastructure, and resources available to the team. f. Describes the team's history of successfully completing projects (e.g., RD&D projects) and commercializing and/or deploying results/products. g. Identifies past projects that resulted in a market-ready technology (<i>include this information in Attachment 9, Reference and Work Product Form</i>). h. References are relevant to the proposed project and are current, meaning within the past three years (<i>include this information in Attachment 9, Reference and Work Product Form</i>). i. Identifies any collaboration with utilities, industries, or others. Explains the nature of the collaboration and what each collaborator will contribute. 	<p>10</p>

Scoring Criteria	Maximum Points
<p>j. Demonstrates that the applicant has the financial ability to complete the project, as indicated by the responses to the following questions:</p> <ul style="list-style-type: none"> • Has your organization been involved in a lawsuit or government investigation within the past five years? • Does your organization have overdue taxes? • Has your organization ever filed for or does it plan to file for bankruptcy? • Has any party that entered into an agreement with your organization terminated it, and if so for what reason? • For Energy Commission agreements listed in the application that were executed (i.e., approved at a Commission business meeting and signed by both parties) within the past five years, has your organization ever failed to provide a final report by the due date specified in the agreement? <p>k. Support or commitment letters (for match funding, test sites, or project partners) indicate a strong level of support or commitment for the project.</p>	
<p>5. Budget and Cost-Effectiveness</p> <p>a. Budget forms are complete, as instructed in Attachment 7.</p> <p>b. Justifies the reasonableness of the requested funds relative to the project goals, objectives, and tasks.</p> <p>c. Justifies the reasonableness of costs for direct labor, non-labor (e.g., indirect overhead, general and administrative costs, and subcontractor profit), and operating expenses by task.</p> <p>d. Explains why the hours proposed for personnel and subcontractors are reasonable to accomplish the activities in the Scope of Work (Attachment 6).</p> <p>e. Explains how the applicant will maximize funds for technical tasks in the Scope of Work and minimize expenditure of funds for program administration and overhead.</p>	10
<p>Total Possible Points for criteria 1–5 (Minimum Passing Score for criteria 1–5 is <u>56.00</u>)</p>	80

Scoring Criteria	Maximum Points												
<p>6. PIER Funds Spent in California</p> <p>Projects that spend PIER funds in California will receive points as indicated in the table below. “Spent in California” means that: (1) Funds under the “Direct Labor” category and all categories calculated based on direct labor in the B-4 budget attachments (Prime and Subcontractor Labor Rates) are paid to individuals who pay California state income taxes on wages received for work performed under the agreement; and (2) Business transactions (e.g., material and equipment purchases, leases, rentals, and contractual work) are entered into with a business located in California.</p> <p>Airline ticket purchases and payments made to out-of-state workers are not considered funds “spent in California.” However, funds spent by out-of-state workers in California (e.g., hotel and food) are considered funds “spent in California.”</p> <table border="1" data-bbox="191 785 1203 1031"> <thead> <tr> <th>Percentage of PIER funds spent in CA (derived from budget attachment B-2)</th><th>Percentage of Possible Points</th></tr> </thead> <tbody> <tr> <td>>60%</td><td>20%</td></tr> <tr> <td>>70%</td><td>40%</td></tr> <tr> <td>>80%</td><td>60%</td></tr> <tr> <td>>90%</td><td>80%</td></tr> <tr> <td>=100%</td><td>100%</td></tr> </tbody> </table>	Percentage of PIER funds spent in CA (derived from budget attachment B-2)	Percentage of Possible Points	>60%	20%	>70%	40%	>80%	60%	>90%	80%	=100%	100%	15
Percentage of PIER funds spent in CA (derived from budget attachment B-2)	Percentage of Possible Points												
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>90%	80%												
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<p>7. Ratio of Direct Labor and Fringe Benefit Rates to Loaded Labor Rates</p> <p>The score for this criterion will derive from the Rates Summary worksheet (Tab B-7) in the budget forms, which compares the weighted direct labor and fringe benefits rate to the weighted loaded rate. This ratio, as a percentage, is multiplied by the possible points for this criterion.</p>	5												
<p>Total Possible Points (Minimum Passing Score is <u>70</u>)</p>	100												

Scoring Criteria	Maximum Points
<p>8. Match Funding (Optional)</p> <ul style="list-style-type: none"> Each match funding contributor must submit a commitment letter that meets the requirements of Attachment 11. Failure to meet these requirements will disqualify the proposal from consideration. 5 points for this criterion will be awarded based on the percentage of match funding relative to the PIER requested. This ratio will be multiplied by 5 to yield the points, and rounded to the nearest whole number. For example: If requested EPIC funds are \$1,000,000 and match funds are \$500,000, the match funding ratio is 0.50 (\$500,000/\$1,000,000). The proposal will be awarded 3 points ($0.50 \times 5 = 2.5$, rounded to the nearest whole number = 3). The remaining 5 points for this criterion will be based on the level of commitment, dollar value justification, and funding replacement strategy described in the match funding commitment letter (see Attachment 11). The proposal scoring scale in Section F will be used to rate these criteria. Any match funding pledged in Attachment 1 must be consistent with the amount or dollar value described in the commitment letter(s) (e.g., if \$5,000 “cash in hand” funds are pledged in a commitment letter, Attachment 1 must match this amount). Only the total amount pledged in the commitment letter(s) will be considered for match funding points. 	10
<p>9. CBE Preference Points (Optional)</p> <p>See Part II, Section A for a description of CBE preference point requirements. Complete Attachment 13 to obtain preference points.</p>	5